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Mr. Craig Jones Hells Canyon Complex Relicensing Manager Idaho Power Company PO Box 70 Boise ID 83707 January 9, 2003

Dear Mr. Jones:

This letter responds to your Sept 18, 2002, request for the Bureau of Land Management (BLM) to provide comments on the Idaho Power Company's (IPC) Draft License Application (DLA) on the Hells Canyon Complex (FERC project number 1971). These comments are provided under the second stage consultation requirements of the Federal Energy Regulatory Commission (FERC) at 18 CFR 16.8(c)(4) and (5). In addition to other required studies, the DLA includes results and discussions of aquatic, terrestrial, recreation and cultural studies conducted by IPC. We offer the following comments to assist in your preparation of the Final License Application (FLA).

BLM would like to recognize all the IPC staff's hard work on this project. BLM would like to specifically recognize and thank the following IPC personnel for their professional work on the project and their specific help to BLM in this process: Margaret Johnson, Allan Ansell, Gill Green, Brett Dumas, Jim Chandler, Dwayne Woods, Dee Aulbach, Toni Holthuijzen, Chris Hauk, Frank Edelmann, Marshall Brown, Mark Druss, and Gary Holmstead.

General Comments:

IPC should also be recognized for understanding early on, the complexity of this project and making efforts to include many interested parties in the scoping, Collaborative Team (CT) and work group efforts. This effort offered insights into issues and impacts that would not have been recognized otherwise. IPC used the Traditional Process to complete the DLA. BLM looks forward to continued collaboration as IPC revises this document to incorporate needed changes as well as the opportunity to complete a settlement package that includes agreed upon PME's.

In the opening exhibit document conclusion, IPC indicated a willingness to continue development of PME measures in addition to what is in this draft license. This willingness to work with interested agencies and parties is appreciated. In the Resource Management Plan (RMP) vision statement, IPC says, "As a part of our obligation to the public we serve, we incur a second compelling obligation to conduct our business in an environmentally conscientious manner." The BLM comments on this draft license are offered to assist IPC in achieving this vision.

This document addresses the adequacy of the Draft License Application. At least 20 BLM professionals have been involved with IPC relicensing since 1996, attending numerous meetings,

workgroup sessions and field trips to assist IPC in preparing the best possible Draft License Application. This review alone involved 22 BLM professionals (See attached list of Draft License Application Reviewers) from three states in eight offices and required over 15 work-months to complete.

As you know, BLM has a significant number of acres affected by the project "footprint", both within the current and your proposed new project boundary, as well as downstream of Hells Canyon Dam below the mouth of the Salmon River. Within your designated "Tier 3" of the study area, BLM manages nearly 70,000 acres according to IPC figures. Therefore, we respectfully request your careful consideration and reconciliation of these comments in the Final License Application (FLA). They provide specific expectations for BLM's anticipated evaluation of the final license and necessary mitigating measures needed to ensure compliance with federal regulations as well as with BLM's Land Use Plans and policies.

There are currently at least six Endangered Species Act (ESA) listed species on public lands affected by the Hells Canyon Complex (HCC) project operations. Consultation should occur under section 7 of the ESA for BLM lands with the appropriate regulating agencies; Fish and Wildlife Service (FWS) or NOAA Fisheries. FERC will rely on the information in the FLA to draft the Biological Assessments (BA's) needed for these consultations.

Although IPC has been helpful and willing to share needed data, this is not the case with their GIS data. BLM has requested the GIS layers for the technical reports in an attempt to evaluate IPC findings but was unable to obtain the material requested. BLM openly shared updated land status and other data with IPC and we hope this cooperative spirit will be reciprocated before the final license is submitted.

BLM lands that are within the project boundary may be used by IPC for project purposes pursuant to the Federal Power Act through a license issued by the FERC. However, those public lands managed by the BLM for other purposes, not inconsistent with IPC's project operations, are managed by BLM for multiple use management under BLM policies, laws, regulations, land use plans, biological opinions and other appropriate guidance. Examples include but are not limited to: The Taylor Grazing Act, The Endangered Species Act (ESA), biological opinions, compliance with the Inland Native Fish Policy (INFISH), Native American Graves Protection and Repatriation Act (NAGPRA), National Historic Preservation Act (NHPA), Archeological Resources Protection Act (ARPA), BLM Land Use Plan decisions and others.

Specific Comments:

The document reflects a proposed changed project boundary. BLM was unaware of this proposed change. A change in project boundary can be made by FERC but project impacts that occur in the area to be excluded from the proposed boundaries must still be evaluated, disclosed and mitigated by the Applicant.

The project description, explains why the two flow scenarios for analysis of impacts were chosen. In the DLA IPC says the full pool run of river was selected to, "Allow the

Applicant to analyze impacts with the project in place but without project operations influencing the outflow hydrograph." 18 CFR 4.51(f)(3)(iv) requires an analysis of "Any anticipated continuing impact on fish, wildlife, and botanical resources of the continued operation of the project..." Neither of the two flow scenarios that IPC analyzed addressed the continued affect of the inundation of 10,000 to 12,000 acres of lands for the next 30 to 50 years. BLM anticipates this analysis in the FLA. It should include impacts and acres that continue to inundate critical riparian habitat on the main stem of the Snake River as well as the tributaries, the critical big game winter range, the continued loss of habitat for ESA listed anadromous fish, lamprey and white sturgeon as well as the loss of bull trout fluvial passage.

On August 19, 1999, IPC asked the Aquatic Work Group members to provide parameters for additional flow scenarios. Many agency and Non-Government Organizations (NGO) and Aquatic Work Group Members worked with IPC to describe reasonable alternative flows. However, on March 20, 2001 at the joint meeting of the Collaborative Team and the Aquatic Resource Workgroup, IPC announced they would run two flow scenarios: full pool run of river and proposed operations. BLM believes that IPC's resulting analysis of these two flows is incomplete, as is detailed in BLM comments. The alternatives developed by the workgroup were not analyzed. The record of the meeting on March 20, 2001 should be included in the FLA. IPC should analyze flows that are consistent with the Endangered Species Act to address the flow augmentation identified by NOAA Fisheries for listed anadromous fish. This flow augmentation drops water from July to late August. The flow augmentation was done by IPC from 1995 to 2000 but has not occurred in 2001 and 2002. BLM will support alternatives identified to protect the listed and proposed Threatened and Endangered Species of fish and anticipates this analysis in the FLA.

We understand that IPC has currently filed for Rights-of Way (ROW) on 5 transmission lines that are in the DLA. If IPC removes part or all of the HCC transmission lines from their FERC license and seeks to authorize them under Title V of the Federal Land Policy and Management Act of October 21, 1976 (FLPMA), the BLM may require IPC to provide additional information in order for the BLM to comply with various federal laws and mandates. Additional information may also be required from IPC for the BLM to develop performance stipulations in a right-of-way grant(s) to mitigate impacts of the transmission lines to various resources and programs on the public lands.

In December 1999, BLM provided IPC with a detailed document outlining issues and desired future conditions that have been identified in BLM Land Use Plan decisions and should be addressed in the DLA. It appears IPC addressed some of these issues but others have been overlooked. These are identified in the enclosures in the resource sections under Key Issues. Also in this December 1999 document, BLM indicated that the project impacted BLM resources below the mouth of the Salmon River to below the mouth of the Grande Ronde at Captain John Creek. IPC has not yet addressed any impacts in this area to BLM Resources. These should be analyzed, documented and mitigated in the FLA.

IPC suggests an interdisciplinary interagency team is needed to assist in the long term management of the canyon. We would also encourage IPC to establish a Terrestrial

Working group for the purpose of consulting with IPC in the following actions: design of restoration, protection, acquisition management and monitoring plans review and evaluation of data, and in the development of adaptive management or other recommendations. The Forest Service, Bureau of Land Management, Oregon Department of Fish and Wildlife, Idaho Department of Fish and Game, Fish and Wildlife Service, the Idaho Power Company Project Licensee, Tribal governments, and Non-Governmental Organizations whom have expressed an interest should serve on this work group.

IPC has made some commitments to funding within the DLA. As we have noted in our comments several items not currently listed should be added to the revised list in the FLA.

Our specific comments are included in the seven enclosures. Please note though, that each enclosure may vary some in its subheadings. First, is a list of the BLM preparers. Next, we have organized our Key Issues comments by resource type; next we have a Specific Comments section, which is organized by volume and page number. Next is a Summary of some of our Recommendations. Next, is a detailed analysis of our Study Reviews. These are most important for IPC to understand what additional studies and analyses should be done to meet BLM's polices and regulations. We have two additional enclosures including the BLM's December 1999 Issues Document and other key correspondence previously sent to IPC. These are for your reference and your records.

BLM has received your notification of some corrections since this was sent out in September. We have included these corrections in your documents as they were received. We know the BLM could not cover every issue in our comments as well. Therefore, we hope comments BLM may submit after January 10, 2003 will be considered in the FLA. BLM has demonstrated a long term commitment to assisting IPC in completing the DLA. We offer these detailed comments to aid IPC in preparing and submitting a FLA for the Hells Canyon Hydropower Relicensing Project.

For questions regarding this document please contact our team lead Dorothy Mason at (541) 523-1308.

Sincerely,

Howard Hedrick Acting District Manager Lower Snake River District David R. Henderson Vale District Manager

cc: John Blair, FERC, Alan Mitchnik, FERC Enclosures (7)

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